To start I will disclose I am in the business of consulting farmers on cash grain sales, commodity brokerage and crop insurance sales. Obviously I have a bias to support agriculture and any policies that encourage demand of agricultural products.

I read recently the California Air Resources Board wants to limit virgin soybean oil as a feedstock for renewable diesel production to 20%, I assume by volume. I don’t know how that level was decided on or if the volume of renewable diesel to be refined and the amount feedstocks available make that possible. That’s a problem I have with any mandate as many times the mandate doesn’t always work in reality. I assume the 20% threshold can be adjusted to fit actual conditions.

Used Cooking Oil started as virgin oil, so I am curious about the rationale to limit virgin soybean oil volume to 20%. The requirement of proof any soybeans or canola used in oil production were grown before 2008 is puzzling. I would be interested to know why that restriction is being sought. It appears to be a subtle way to say CARB wants no domestically produced oil used in renewable diesel in California. We just don’t store oilseeds for 15 years.

I am not opposed to refining used cooking oil for renewable diesel, it is better than dumping it down a drain or ending up in a landfill. It is an issue with Congress (namely the Inflation Reduction Act) allowing Used Cooking Oil to be IMPORTED from other countries, refined and issuing a $1.00 to $1.75 per gallon tax credit (depending on use) to the refiner and or the blender. However I do think CARB can be proactive and discourage importation of UCO that ultimately generates a tax credit. That is a job for Congress and I will let my representatives know my thoughts on the situation.

Importing UCO but not allowing the tax credit to the blender and or refiner is an acceptable compromise in my opinion. But I understand that is the job of Congress, not CARB. I just don’t see why we are allowing any FOREIGN waste product to take precedence over home grown feedstocks for a great fuel source like renewable diesel. I believe UCO imports in 2022 in to the US were around 200 million pounds and last year were around 3 billion pounds. UCO could contain palm oil which is a major issue.

Thank you for your time and I hope I was able to convey my thoughts on this subject in a good manner. I just would like to see CARB take actions that put domestic energy production at the top of the list.

Sincerely,

Stewart Hughes

Conrad, IA